



**NASA**  
**Procedural**  
**Requirements**

**COMPLIANCE IS MANDATORY**

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## Disbursements

**Responsible Office: Office of the Chief Financial Officer**

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# Preface

## P.1 Purpose

This NASA Procedural Requirements (NPR) provides the financial management requirements for disbursements.

## P.2 Applicability

This NPR is applicable to NASA Headquarters and NASA Centers, including Component Facilities and Technical and Service Support Centers. This language applies to JPL, other contractors, grant recipients, or parties to agreements only to the extent specified or referenced in the appropriate contracts, grants, or agreements.

## P.3 Authority

- a. 31 U.S.C. §§ 3321, 3322, 3325, 3328, 3329, 3331, Payment Requirements.
- b. 31 U.S.C. §§ 3511, 3512, 3513, Accounting Requirements, Systems and Information.
- c. Debt Collection Improvement Act of 1996, Public Law 104-134, Section 31001, 110 Stat. 1321-358.
- d. 5 CFR Part 1315, "Prompt Payment."
- e. 31 CFR Part 208, "Management of Federal Agency Disbursements."
- f. Federal Acquisition Regulation (FAR), FAR Part 32, "Contract Financing."
- g. FAR, Part 32.11, "Electronic Funds Transfer Regulation"
- h. FAR, Part 52.232, "Payments."
- i. Federal Travel Regulation (FTR), Part 301-71, Agency Travel Accountability Requirements.
- j. Office of Budget and Management (OMB) Circular No. A-123, Appendix C, Part I, Improper Payments Information Act Reporting.
- k. Treasury Financial Manual, Volume I, Federal Agencies, 2-3200, "Foreign Currency Accounting and Reporting."
- l. TFM, Volume I, Federal Agencies, 4- 1100, "Delegations and Designations of Authority for Disbursing Functions."
- m. TFM, Volume I, Federal Agencies, 4- 2000, "Payment Issue Disbursing Procedures."
- n. TFM, Volume I, Federal Agencies, 4- 3000, "Third Party Draft Procedures for Imprest Fund Disbursing Activities, Depositaries and Financial Agents of the Federal Government."
- o. TFM, Volume I, Federal Agencies, 4- 4500, "Government Purchase Cards."
- p. TFM, Volume I, Federal Agencies, 4- 6500, "Magnetic Tape Check Issue and Reporting Level 8."

- q. TFM, Volume I, 4-9000, "Foreign Exchange"
- r. TFM, Volume I, Federal Agencies, 5- 4600, "Treasury Automated Lockbox Network."
- s. TFM, Volume I, 5-6000, "Disposition of Foreign Currency and Checks Drawn of Foreign Banks."
- t. TFM, Volume I, 6-8000, "Cash Management."
- u. NASA Policy Directive (NPD) 9010.2, "Financial Management."

## **P.4 Applicable Documents**

- a. NPR 9645.1, Cash Management and Improper Payments.

## **P.5 Measurement/Verification**

Quality assurance reviews and analysis of financial and budgetary reports and data submitted through the continuous monitoring program will be used to measure compliance with this NPR.

## **P.6 Cancellation**

None.

/s/

Terry Bowie

NASA Deputy Chief Financial Officer

# Chapter 1. Disbursements

## 1.1 Overview

1.1.1 This Chapter provides an overview of the requirements for scheduling of disbursements for domestic transactions, Imprest Funds, and Government Purchase Cards disbursements. Disbursements in NASA are processed according to the Prompt Payment Act. The rules for invoicing requirements for a proper invoice and invoice processing, including pre-audit of vouchers, are also in the Prompt Payment Act.

1.1.2 NASA has no employees that are Disbursing Officers. The Department of Treasury (Treasury) Financial Management Service (FMS) assigns a Disbursing Officer to assist NASA with this function. All disbursements in NASA shall be scheduled and processed according to procedures and regulations established by Treasury FMS. An SF 1166 "Voucher and Schedule of Payments" is used to certify to Treasury by NASA that requested payments are legal and proper. One or more payments and related payment data are scheduled for processing on an individual SF 1166. All information necessary to make payments including information needed for electronic fund transfer tools to make electronic payments is sent or transmitted to Treasury via the SF 1166 or accompanied documentation, including bulk transmission on a magnetic tape. Whenever possible, the SF 1166 is to be submitted to Treasury FMS via the web-based Secure Payment System (SPS).

## 1.2 Agency Requirements

1.2.1 NASA shall use the Treasury SPS to submit the payment schedule whenever possible. The Treasury SPS is an automated system for voucher preparation, certification, transmission, and verification. NASA shall coordinate with Treasury FMS and the Servicing Regional Financial Center (RFC) for the setup of computer arrangements for SPS. Additionally, NASA users shall contact the servicing RFC and obtain the SPS Certifying Officer Manual and the SPS Data Entry Operator Manual and abide by these detailed operational policies and procedures.

1.2.2 Payment Limits. NASA is discouraged from processing payments less than \$1.00. The maximum amount for which an individual payment can be issued is dependent on the type of payment instrument.

1.2.2.1 Automated Clearing House (ACH). The ACH electronic payments process is to be used for individual payments of up to \$99,999,999.99. These payments must be certified electronically, via the SPS.

1.2.2.2 Fedwire. The Fedwire payment process is used for payments certified via the SPS or paper SF 1166 when either of the following conditions exists:

- a. The payments are greater than \$99,999,999.99.
- b. An emergency situation requires a payment must be made by next day.

1.2.3 Emergency Payments. NASA Officials are discouraged to ask for emergency payments as Treasury provides excellent turnaround times using ordinary procedures. The Agency Deputy Chief Financial Officer (DCFO) must approve any action to use Treasury emergency procedures including the use of facsimile equipment to transmit voucher-schedules.

1.2.4 Treasury Paper Check Payments. Paper checks can be used only in limited situations. NASA

requests for paper checks must be for approved exceptions. Requests for exceptions should be processed through the NASA Shared Services Center (NSSC) management for approval by the Agency DCFO.

#### 1.2.5 Pick Up of Checks at a Treasury Regional Finance Center (RFC).

1.2.5.1 Treasury does not permit the delivery of voucher schedules for payment in person or waiting at the disbursing center for the payment or payments to be prepared on a "walk-through" basis.

1.2.5.2 NASA may authorize government employees or commercial couriers as messengers to pick up checks at the RFC upon approval by the Disbursing Officer.

1.2.6 The RFCs will not accept payment requests received over the telephone or voucher-schedules for payments transmitted over facsimile equipment except under emergency conditions, with special permission of the processing RFC's director. When submission of a payment schedule is authorized via facsimile, the RFC will complete processing of the payments based on the facsimile schedule. However, the payments resulting from such a schedule will not be released until receipt of the original copy of the schedule. In case of emergencies such as failure of SPS, the NSSC must contact the servicing RFC to make arrangements for payments.

1.2.7 For special delivery, such as delivery via express service (FedEx, etc.), Treasury FMS will not pay shipping charges, other than normal U.S. Postal Service charges. NASA must make prior arrangement with the processing RFC and provide the RFC with pre-paid, pre-addressed, shipping labels or pre-addressed labels that contain shipping charge data that will result in the shipping charges being paid by the submitting agency.

1.2.8 Large Disbursements. NASA shall report large disbursements in advance of request for disbursement to servicing RFC.

1.2.8.1 A large disbursement includes single transactions, multiple transactions of a common nature, and repetitive transactions totaling \$50 million or more.

1.2.8.2 Large disbursements must be reported in advance of the transaction settlement date. A minimum of two business days notice is required for disbursements totaling \$50 million or more. If the disbursement will be over \$500 million, a minimum of five business days is required.

1.2.8.3 When specific disbursement information has not been finalized for large disbursements in time to meet the requirement in Section 7.2.3 B above, inform Treasury FMS daily (by 9:30 a.m. eastern standard time) of approximate amount(s) and approximate disbursement date(s).

#### 1.2.9 Intragovernmental Payment and Collection (IPAC) Payments.

1.2.9.1 NSSC shall download IPAC payments to other agencies and review them to ensure they are accurate and timely.

1.2.9.2 NSSC shall use the SAP interface to IPAC payments. The interface is triggered when an IPAC payment run is released.

1.2.9.3 NSSC shall ensure the updates interfaced to SAP are accurate.

1.2.9.4 Users shall refer to Treasury's website for additional information on IPACs.

1.2.10 Department of Health and Human Services (DHHS) Payments. It is NASA's policy to use the DHHS Payment Management System (PMS) for grant payments via letter of credit drawn down. Users should refer to NPR 9680.1, NASA's Management of Grants and Cooperative Agreements, for additional information.

1.2.11 Purchase Card Payments. NASA purchase card holders should use the purchase cards obtained through the General Services Administration (GSA) SmartPay program for small purchases up to \$25,000 or such other program approved for the agency through the procurement office. Refer to Appendix B for additional information pertaining to purchase card payments.

1.2.12 Imprest Funds and Third Party Drafts. Imprest funds have been eliminated for Federal use unless a specific waiver is granted. NASA will not use third party drafts.

## **1.3 Roles and Responsibilities**

1.3.1 The Office of the Chief Financial Officer shall:

- a. Establish, maintain, and coordinate policy on processing disbursements.
- b. Perform quality control reviews to confirm that controls are effective and processes are efficient. Additionally, ensure internal reviews of payments performance and systems accuracy are conducted.
- c. Monitor late payments and interest penalties incurred.
- d. Monitor disbursements control activities identified in the Continuous Monitoring Program (CMP).

1.3.2 NASA Center's financial management personnel shall perform required CMP control. Additionally, NASA Centers shall perform the following functions to support disbursements being made timely:

- a. Timely approve invoices for payment by Center's authorized approval officials.
- b. Timely cost invoices that require costing by Center's cost personnel or other appropriate Center personnel.
- c. Timely enter shipping and receiving information in SAP by Center's logistics personnel or other Center's appropriate personnel.

1.3.3 NSSC shall:

- a. Timely and accurately process disbursements for all NASA Centers in accordance with the Prompt Payment Act regulation, 5 CFR Part 1513.
- b. Maintain and provide required reporting for all disbursements.
- c. Provide voucher examination and payment services including assembling, reviewing, processing, recording, reporting, and reconciling commercial and government invoices.
- d. Validate all disbursements contain the proper information in accordance with the Prompt Payment Act Regulation, 5 CFR Part 1315, Section 1315.9.
- e. Maintain accurate disbursement documentation (in paper form or electronically) as required in the Prompt Payment Act regulation, 5 CFR Part 1315, Section 1315.9 and in NASA policies and procedures.
- f. Take corrective action to prevent late payments and interest penalties.
- g. Maintain an organizational structure that appropriately segregates assigned duties, emphasize adherence to policies and procedures, and employ sound internal accounting and system access controls.

h. Perform required CMP control activities.

1.3.4 NASA Competency Center responsibilities include the following:

- a. Post Treasury's confirmations and resolve all issues with posting Treasury's confirmations.
- b. Ensure the financial management system provides timely, reliable, useful, and consistent financial management information. Thus, system payment capabilities should provide accurate and useful management reports on payments.



# Chapter 2. Accountable Officials for Disbursements

## 2.1 Overview

2.1.1 This chapter prescribes the NASA's requirements for the delegation of disbursement functions to accountable officials.

## 2.2 Agency Requirements

2.2.1 General. The disbursing function is performed by the Department of Treasury (Treasury), Financial Management Service (FMS). Although FMS employees serve as Disbursing Officers for NASA, FMS requires the appointment of accountable officials within NASA in order to appropriately manage this function. The appointment process documents the delegation of authority from the NASA Administrator through the Agency Chief Financial Officer (CFO) and Deputy CFO, resulting in the designation of individuals in the NASA Shared Services Center (NSSC) who certify and process the payments through FMS systems.

2.2.2 The initial authority to expend NASA funds and to certify the disbursement of such funds through a Treasury Disbursing Officer resides with the NASA Administrator.

2.2.3 NASA has active designations in place for Designation Officials who are then able to designate Certifying Officers and Data Entry Officers. FMS has developed an automated system, known as the Digital Signature Storage and Verification (DSSV) system, to manage all delegations and designations of authority for disbursement-related functions. Treasury's TFM, Volume I, Federal Agencies, 4-1100, "Delegations and Designations of Authority for Disbursing Functions," has detailed procedures that NASA personnel must follow in seeking, maintaining or relinquishing delegations and designations. Also, refer to Appendices G, H, and I of this NPR for the requirements for delegation and the designation process.

2.2.4 A delegation is a term that is used for establishing authority to appoint individuals. A valid FMS Form 2958, Delegation of Authority, must be on file with the FMS for each individual exercising delegation authority.

## 2.3 Roles and Responsibilities

2.3.1 NASA Administrator shall delegate authority to the Agency CFO's designated representative, the Agency Deputy CFO (DCFO), to establish disbursing functions in NASA.

2.3.2 The Agency DCFO shall re-delegate authority to NSSC Director to designated officials at NSSC to perform certifying officer and data entry operator's functions through Treasury.

2.3.3 NSSC officials shall:

- a. Ensure certifying officials are informed of their responsibilities and liabilities before taking certification action.
- b. Ensure data entry operators are informed of their responsibilities before acting in that capacity.



# Chapter 3. Prompt Payment

## 3.1 Overview

3.1.1 General. The Prompt Payment Regulation (5 CFR 1315) requires that the NASA pay vendors and employees' travel reimbursements in a timely manner and invokes an interest penalty for late payments. For NASA, it is applicable to payments for all vendors and utilities, with the following exceptions:

a. Contract Financing Payments. Contract financing payments means an authorized disbursement of monies prior to acceptance of goods or services, including advance payments, progress payments based on cost, progress payments (other than under construction contracts) based on a percentage or stage of completion, payments on performance-based contracts, and interim payments on cost type contracts (other than cost-reimbursement contracts for the acquisition of services). Contract financing payments do not include invoice payments, payments for partial deliveries, or lease and rental payments.

b. Payments related to emergencies (as defined in the Disaster Relief Act of 1974, Public Law 93-288, as amended (42 U.S.C. 5121 et seq.)); military contingency operations (as defined in 10 U.S.C. 101 (a)(13)); and the release or threatened release of hazardous substances (as defined in 4 U.S.C. 9606, Section 106).

3.1.2 Office of Management and Budget (OMB) interim final rule to the Prompt Payment Regulation requires agencies to pay an interest penalty whenever they make an interim payment under a cost-reimbursement contract for services more than 30 days after the agency receives a proper invoice for payment. The interim final rule is applicable for all interim payments request received under cost-reimbursement service contracts awarded on or after December 15, 2000. For the purposes of the Prompt Payment Regulation, interim payments under a cost-reimbursement service contract are treated as invoice payments and are subject to the requirements of the Prompt Payment Regulation unless otherwise provided by the rule.

## 3.2 Agency Requirements

3.2.1 Invoices, bills, or any other documents (hereinafter referred to as "invoices") authorized for payment by a Center, including progress and final payments, will be paid when due in accordance with the Prompt Payment Regulation (5 CFR 1315). Systems will be designed to include adequate internal controls to facilitate timely payment of invoices, take appropriate discounts, preclude duplicate payments and pay interest penalties automatically when due.

3.2.2 Required Documentation. Centers and NSSC will maintain paper or electronic documentation as required in 5 CFR 1315.

3.2.3 Receipt of Invoice. For the purpose of determining a payment due date and the date on which interest will begin to accrue if a payment is late, an invoice shall be deemed to be received:

a. On the later of:

(1) For invoices that are mailed, the date a proper invoice is actually received by the designated billing office if NASA annotates the invoice with the date of receipt at the time of receipt. For invoices electronically submitted, the date a readable transmission is received by the designated billing office, or the next business day if received after normal working hours; or

(2) The seventh day after the date on which the property is actually delivered or performance of the services is actually completed; unless:

(a) NASA has actually accepted the property or services before the seventh day in which case the acceptance date shall substitute for the seventh day after the delivery date; or

(b) A longer acceptance period is specified in the contract, in which case the date of actual acceptance or the date on which such a longer acceptance period ends shall substitute for the seventh day after the delivery date.

b. On the date placed on the invoice by the contractor, when NASA fails to annotate the invoice with the date of receipt of the invoice at the time of receipt (such invoice must be a proper invoice).

c. On the date of delivery, when the contract specifies that the delivery ticket may serve as an invoice.

3.2.4 Review of Invoice. Each invoice will be reviewed by the designated billing office as soon as practicable after receipt to determine whether the invoice is a proper invoice as defined in 5 CFR 1315.9(b).

### 3.2.5 Improper Invoices.

3.2.5.1 When an invoice is determined to be improper, NASA shall return the invoice to the vendor as soon as practicable after receipt, but no later than seven days after receipt as required by 5 CFR 1315.4(c)(2).

3.2.5.2 With the returned invoice, the vendor will be notified of all defects that prevent payment and all specific reasons why the invoice is not proper and why it is being returned. This notification shall include a request for a corrected invoice, to be clearly marked as such.

3.2.5.3 Any media which produces tangible recordings of information in lieu of "written" or "original" paper document equivalents should be used to expedite the payment process, rather than delaying the process by requiring "original" paper documents. NASA shall implement adequate safeguards and controls to ensure the integrity of the data and to prevent duplicate processing.

3.2.6 Receipt of Goods and Services. NASA will ensure that receipt is properly recorded at the time of delivery of goods or completion of services.

3.2.7 Acceptance. Acceptance shall be executed as promptly as possible. Commercial items and services should not be subject to extended acceptance periods. Acceptance reports will be forwarded to the designated billing office by the fifth working day after acceptance. Unless other arrangements are made, acceptance reports will be stamped or otherwise annotated with the receipt date in the designated billing office.

### 3.2.8 Payment Due Date.

3.2.8.1 The period available to NASA to make a timely payment of an invoice without incurring an interest penalty shall begin on the date of receipt of a proper invoice or acceptance which ever is later unless no invoice is required. Employee travelers must be reimbursed within 30 calendar days after the employee submits a proper travel claim to the designated approving office.

3.2.8.2 Determining the Payment Due Date. Unless otherwise specified, the payment is due either:

a. The date(s) specified in the contract.

b. In accordance with discount terms when discounts are offered and taken.

c. In accordance with Accelerated Payment Methods. (See Appendix C.)

d. Thirty days after the start of the payment period, if not specified in the contract, if discounts are not taken, and if accelerated payment methods are not used.

3.2.8.3 Interim Payments on Cost-Reimbursement Contracts for Services. The payment due date for interim payments under cost-reimbursement service contracts shall be 30 days after the date of receipt of a proper invoice.

3.2.9 Notification of an Improper Invoice. NASA shall notify contractors/ vendors of improper invoices within seven days of receipt of the invoice.

3.2.10 Payment Date. Payment will be considered to be made on the settlement date for an electronic funds transfer (EFT) payment or the date of the check for a check payment. Payments falling due on a weekend or federal holiday may be made on the following business day without incurring late payment interest penalties.

3.2.11 Late Payment. When payments are made after the due date, interest will be paid automatically in accordance with the requirements provided in 5 CFR Part 1315, Prompt Payment, and Appendix E, Late Interest Penalties and Additional Penalties."

3.2.12 Timely Payment. NASA shall make payments no more than seven days prior to the payment due date, but as close to the due date as possible, unless the agency head or designee has determined on a case-by-case basis for specific payments, that earlier payment is necessary. The Deputy Chief Financial Officer for Finance (DCFO(F)) must use this authority cautiously, weighing the benefits of making the payment early against the good stewardship inherent in effective cash management practices. Written determinations to approve early payments shall be retained in the payment file.

3.2.13 Payments for Partial Deliveries. NASA shall pay for partial delivery of supplies or partial performance of services after acceptance, unless specifically prohibited by the contract. Payment is contingent upon submission of a proper invoice if required by the contract.

3.2.14 In accordance with 41 CFR 101-41.401(e), for purposes of determining whether interest penalties under the Prompt Payment Regulation are due in the case of U.S. Government Bills of Lading (GBL's), the date on which payment is due is 30 days after receipt of a proper carrier bill or claim by the designated billing office, i.e., the office or employee designated on the GBL. Centers will ensure that receipt and acceptance are executed as promptly as possible. Receiving reports will contain the information specified in 5 CFR 13.15.9(c) and will be forwarded in time to be received by the Financial Management Office by the 5th working day after acceptance. Financial Management Offices will stamp receiving reports and invoices with the date received.

3.2.15 Fast Payment. A fast payment is a payment without evidence that supplies have been received. NASA activities will not certify payments without receipt and acceptance of goods or services unless specifically provided by contractual agreement executed pursuant to law. Therefore, requirements for the use of the FAST PAY provisions of the Prompt Payment Regulation are rarely needed or met and their use is to be discouraged. A list of situations in which fast pay can be used is in Appendix C. If Fast Payment is applicable, the requirements below should be followed:

a. NASA shall promptly inspect and accept supplies acquired under these procedures and shall ensure that receiving reports and payment documents are matched and steps are taken to correct discrepancies and ensure goods paid for are received.

b. NASA must include the contract clause at 48 CFR 52.213-1 as provided in the Federal Acquisition Regulations (FAR) at 48 CFR part 13, subpart 13.4 "Fast Payment Procedure," in each

contract requiring the use of fast payment procedures.

3.2.16 Governmentwide Commercial Purchase Card. The following are the standards for payments to government-wide commercial purchase card issuers:

a. Payment Date. All individual purchase card invoices under \$2,500 may be paid at any time, but not later than 30 days after the receipt of a proper invoice. Matching documents are not required before payment. The payment due date and payment criteria for invoices in the amount of \$2,500 or more shall be determined in accordance with Appendix D, Discounts and Rebates. Treasury Financial Manual, I TFM 4-4525.10, permits payment of the bill in full prior to verification that goods or services were received.

b. Disputed Line Items. Disputed line items do not render the entire invoice an improper invoice for compliance with 5 CFR 1315, Prompt Payment Regulation. Any undisputed items must be paid in accordance with 5 CFR 1315, paragraph 1315.12(a).

3.2.17 Grant Recipients. Recipients of Federal assistance may pay interest penalties if specified in their contracts with contractors. However, obligations to pay such interest penalties will not be obligations of the United States. Federal funds may not be used for this purpose, nor may interest penalties be used to meet matching requirements of federally assisted programs.

### **3.3 Roles and Responsibilities**

3.3.1 NASA Headquarters, Office of the Chief Financial Officer shall:

- a. Develop, maintain, issue, and interpret financial management policies for prompt payment.
- b. Maintain metrics to track progress in meeting prompt payment requirements.
- c. Perform quality control reviews to confirm that controls are effective and processes are efficient. Additionally, ensure internal reviews of payment performance and system accuracy are conducted.

3.3.2 NASA Centers shall ensure timely review, costing, funding, and approval of invoices.

3.3.3 NSSC shall:

- a. Adhere to the provisions of the Prompt Payment Regulation and other regulations and laws provided in section 6.3.
- b. Timely process and pay invoices to avoid late payment interest penalties.



# Chapter 4. Foreign Cash Transactions

## 4.1 Overview

4.1.1 This chapter provides the NASA's requirements on the processing of payments and collections for foreign transactions. Included are bilateral program transactions with foreign countries and international organizations involving procurement, research, co-development, co-production, or other transactions that require: (1) the outlay of U.S. dollars or U.S. owned foreign currencies or (2) the exchange of U.S. dollars and U.S. owned foreign currencies. The Office of the Chief Financial Officer (OCFO) should be contacted at the earliest possible time concerning any potential or pending negotiations, which will involve matters referred to in this section.

## 4.2 Agency Requirements

4.2.1 Disbursements-State Department. NASA works with the State Department to process certain international payments including overseas payroll and vendor payments. The NASA Shared Services Center (NSSC) will make arrangements through the Intragovernmental Payment and Collection (IPAC) system to send funds to the State Department who will make the actual payment using the International Direct Deposit (IDD) or the Society for Worldwide Interbank Financial Telecommunications (SWIFT).

4.2.2 Disbursements-Department of the Treasury (Treasury). The Kansas City Financial Center (KFC) is the primary processor for all foreign payment transactions for Treasury FMS on behalf of Federal Program Agencies. KFC processes payments for NASA offices via the paper Standard Form (SF)-1166 (Voucher and Schedule of Payments). KFC will be the servicing Regional Finance Center (RFC) for all NASA foreign transactions (payments or collections) processed through Treasury.

4.2.2.1 If KFC can not issue a payment using the International Treasury Services (ITS.gov), FMS will utilize the State Department to make the payment.

4.2.2.2 Issuance of checks in U.S. dollars to foreign recipients is not supported by ITS.gov. Those transactions will continue to be processed through the Secure Payment System (SPS). Therefore, SPS will continue to be used by NASA for domestic payments (check and EFT) as well as U.S. dollar checks to foreign recipients, while all foreign transactions (with the one noted exception) will be processed through the Kansas City Financial Center and ITS.gov.

4.2.2.3 KFC can grant NASA direct access to the web-based foreign payment system, ITS.gov. If NASA wishes to pursue this option, it must be cleared and coordinated with the OCFO.

4.2.3 Foreign Exchange Received by NASA. NASA generally does not receive foreign exchange (amounts paid in foreign currency). Where NASA receives a payment by check that had been drafted in a foreign currency, NASA shall forward the check to the KFC via an overnight mail service. KFC will process the payment, apply the available spot rate for currency conversion, and credit the funds to NASA.

4.2.4 Negotiating Financial Arrangements.

4.2.4.1 Except for arrangements entered into for the sole purpose of implementing U.S. international monetary policy, Center CFOs and NSSC officials will observe the following policies to ensure that:

a. U.S. dollars will be retained in the account of the U.S. Treasury until actually required for immediate disbursement to minimize interest cost on the public debt.

b. Interest on U.S. Government funds will not be used to subsidize program activities.

4.2.4.2 Center CFOs and NSSC officials will not permit the withdrawal of funds from the account of the U.S. Treasury for transfer to any recipient country or organization, prior to the need for the funds as determined by the actual immediate funding requirements of the recipient to carry out the project. Monthly payments are the norm.

4.2.4.3 NASA's share of funding required to support a program will not be derived from interest earned on U.S. contributions. Any interest earned will be promptly deposited to receipt account "801435, General Fund Proprietary Interest, Not Otherwise Classified."

4.2.4.4 Requests from a foreign country or international organization for the temporary deposit and safekeeping of dollars in trust in an account of the U.S. Treasury will be decided by Treasury on an individual basis, based on the specific financial arrangements proposed and the relevant political and financial considerations.

## **4.3 Roles and Responsibilities**

4.3.1 NSSC shall:

a. Coordinate with the State Department and/or Treasury, FMS, and KFC to assure provisions are made for NASA to supply the necessary financial information needed for international payments or collections.

b. Follow the payment and collections procedures of KFC.

c. Adhere to the following factors to assist the State Department when requesting payments:

(1) Segregate payments by payment type as wire payments are not combined with check payments.

(2) Make cash transfers to the State Department in United States currency and coordinate as needed by the State Department on matters related to currency translation.

(3) Ensure IPAC payments to the State Department are in accordance with NASA and Treasury's procedures for IPAC

4.3.2 NSSC and Centers personnel shall comply with the policy provided in this chapter and with the authorities in section P.3.



# Appendix A. Information on Vouchers

## A.1 Accounting Classification Codes

A.1.1 In all cases, the account symbol or other appropriate reference which clearly identifies the appropriation or fund affected must be shown in the accounting classification space on all basic vouchers. When the voucher is split between two or more appropriations the account symbol or other appropriate reference must identify the amounts applicable to each.

A.1.2 Where consolidated working fund subsidiary accounts are used, the subsidiary account classification will also be indicated.

A.1.3 The NASA will record additional accounting classifications in the space provided on the voucher as necessary.

## A.2 Payee Information

A.2.1 Individuals.

A.2.1.1 Payee information must include first name, middle initials, if any, and surname. Omit punctuation marks except for the use of commas to set off the names of more than two payees.

A.2.1.2 Joint Accounts. Where two or more individuals are jointly entitled to receive the payment, NASA shall come to agreement with the individuals to make payments to one payee or account or make separate payments to each. When arrangements have not been made to pay to one account or individual, the voucher should include all as payees. The word "and" should appear before the name of the last payee. Where the account is not joint but several use the word "or" before the name of the last payee.

A.2.2 Corporations. Include the corporation name. Name changes are subject to Federal Acquisition Regulations (FAR) for Novations and Change of Name agreements (see FAR Part 42-12) and must be approved by NASA procurement offices before the new name can be used.

A.2.3 Unincorporated Associations. Use the official name.

A.2.4 Partnerships. Use the firm's name.

A.2.5 Trust Estates, Decedents' Estates, Trustees, Executors, and Administrators, and Guardians of Minors and Incompetents. See Treasury's TFM, Volume I, 4-2000. Payment Issue Disbursing Procedures, Section 2035.20.

A.2.6 Doubtful Cases. Any doubts as to form should be referred to the NASA Deputy Chief Financial Officer.

## A.3 Contract References

A.3.1 Place the contract number and the date in the spaces provided. If the agreement is unnumbered and attached to the voucher, this should be so indicated. For general supply contractors whose contracts are itemized in the Federal Schedule of Supplies and the item numbers covering the articles purchased are given on the face of the voucher, the contract number and date need not be shown.

## **A.4 Unit Prices of Gasoline or Other Petroleum Products**

A.4.1 For purchases of gasoline or other petroleum products under contracts that provide that the unit prices are to be based on tank, wagon, barge, or service station prices on the date and at the point of delivery shown the unit prices paid on the invoices or voucher.

# Appendix B. Payment of Purchase Card Bills

## B.1 Requirements

B.1.1 Payments to the purchase card vendor are subject to the provisions of the Prompt Payment Act and in accordance with the terms of the Government commercial purchase card services contract.

B.1.2 The cardholder and approving official will review the cardholder statement of account received at the end of each monthly billing cycle and follow contract procedures for identifying discrepancies.

B.1.3 The cardholder statement must be submitted to the designated payment office within a time frame that allows them to process and pay the consolidated invoice within the Prompt Payment Act deadline.

B.1.4 NASA shall abide by the contract provisions for reconciliation of discrepancies after payment of the invoices, including notifying the contractor in writing within the period prescribed in the contract.

B.1.5 The NASA payment office should make adjustments to the consolidated invoice, based on the cardholder statements received.

B.1.6 The designated billing office will pay the consolidated invoice in a timely manner even if all cardholder statements are not received

B.1.7 NASA billing offices should use "Vendor Express" as the preferred method for paying the consolidated invoice for purchase card services.

B.1.8 SAP Automated Credit Card Process. Centers shall use the electronic process made available through SAP or the Purchase Card system to handle NASA credit cards payments and reconciliation of statements and transactions.

B.1.8.1 Cardholders shall ensure orders are recorded on-line and that the SAP on-line order log is kept in agreement with the purchase requisitions and there is a purchase requisition in SAP for all orders.

B.1.8.2 An on-line transaction file from the bank with details for each card holder is received by NASA from the bank serving as the credit card company. The file shall be routed as follows:

- a. Received and picked electronically up by the Competency Center.
- b. Imported by the Center for each of its credit card holder.
- c. Transmitted by the Center to the card holder.
- d. Credit card holders shall use the SAP on-line capability that allows the transactions to be reconciled on-line against the card holder's order log.

## B.2 Reconciliation of Purchase Card Transactions

B.2.1 The purchase cardholder shall:

- a. Receive the bank transaction file on a monthly basis.

## b. Verify:

- (1) The bank transaction file is reconciled monthly with the monthly transactions.
- (2) The monthly transactions were made by them.
- (3) The prices of purchases are what they agreed to.
- (4) Fund certification is obtained for the purchase.
- (5) Receipt of items charged for.

## c. Dispute any discrepancy discovered after verification by:

- (1) Calling the vendor for an explanation of the difference in cost or to identify the charge or other problem.
- (2) Instructing the vendor to process a credit for charges that are too high or for an item not received.

d. Call the credit card company to process a temporary credit if a discrepancy can not be resolved or for any problem with the statement itself such as charges not coming through.

e. Make sure the credit appears with the next monthly transactions.

f. Continue to call either the vendor or the credit card company until the credit is obtained.

g. Submit explanations to the approving official when asked or as a regular part of the review process.

h. Designate an alternate to reconcile monthly transactions in their absence.

i. Retain documentation of purchases and receiving reports with the monthly transaction report.

## B.2.2 Approving officials of purchase cardholders shall:

a. Review purchases for appropriateness of business purpose, receipt of goods, and possible irregularities. Follow up by asking the card holder for explanations and evidence for any item that appears to be incorrect.

b. Periodically ask for justification of the business purpose of purchases and evidence that verifies the receipt of goods.

c. Assure purchase card holders are informed that they shall be prepared to justify purchases and produce evidence of receipt of goods when requested.

d. Require credit card holders to provide explanations of transactions.

e. Designate an alternate to approve monthly payments in their absence.

# Appendix C. Accelerated Payments and Fast Pay

## C.1 Accelerated Payments

C.1.1 The use of accelerated payment has no bearing on the determination of the payment due date. Vendors shall be entitled to interest penalties if invoice payments are made after the payment due date.

C.1.2 Below are situations in which accelerated payments can be made.

- a. A single invoice under \$2,500. Payments may be made as soon as the contract, proper invoice, and receipt and acceptance documents are matched except where statutory authority prescribes otherwise and except where otherwise contractually stipulated (e.g. governmentwide commercial purchase card).
- b. Small Business (as defined in FAR Part 19.001 (48 CFR 19.001)). NASA may pay a small business as quickly as possible, when all proper documentation, including acceptance, is received in the payment office and before the payment due date.
- c. Emergency Payments. Payments related to emergencies and disasters (as defined in the Robert T. Stafford Disaster Relief Act and Emergency Assistance, Public Law 93-288, as amended (42 U.S.C. 5121 et seq.); payments related to the release or threatened release of hazardous substances (as defined in the Comprehensive Environmental Response Compensation and Liability Act of 1980, Public Law 96-510, 42 U.S.C. 9606); and payments made under a military contingency (as defined in 10 U.S.C. 101(a)(13)) may be made as soon as the contract, proper invoice, receipt and acceptance documents or any other agreement are matched.

## C.2 Fast Payments

C.2.1 In limited situations, payment may be made without evidence that supplies have been received. Instead, a contractor certification that supplies have been shipped may be used as the basis for authorizing payment. Payment may be made within 15 days after the date of receipt of the invoice.

C.2.2 Fast payment procedures may be employed only when all of the following conditions are present:

- a. Individual orders do not exceed \$25,000 (except where agency heads permits a higher amount on a case-by-case basis).
- b. Deliveries of supplies are to occur where there is both a geographical separation and a lack of adequate communications facilities between Government receiving and disbursing activities making it impracticable to make timely payments based on evidence of Federal acceptance.
- c. Title to supplies will vest in the Government upon delivery to a post office or common carrier for mailing or shipment to destination or upon receipt by the Government if the shipment is by means other than the Postal Service or a common carrier.
- d. The contractor agrees to replace, repair, or correct supplies not received at destination, damaged in

transit, or not conforming to purchase requirements.

e. The purchasing instrument is a firm-fixed-price contract, a purchase order, or a delivery order for supplies.

f. A system is in place to ensure:

- (1) Documentation of evidence of contractor performance under fast payment purchases.
- (2) Timely feedback to the contracting officer in case of contractor deficiencies.
- (3) Identification of suppliers that have a current history of abusing the fast payment procedure.

# Appendix D. Discounts and Rebates

## D.1 Discounts

D.1.1 NASA shall follow these procedures in taking discounts and determining the payment due dates when discounts are taken:

- a. Economically Justified Discounts. If NASA is offered a discount by a vendor, whether stipulated in the contract or offered on an invoice, NASA may take a discount if economically justified but only after acceptance has occurred. Treasury FMS has an online calculator to determine if discounts should be taken. NASA is encouraged to include discount terms in a contract to provide adequate time to take the discount if it is determined to be economically justified.
- b. Discounts Taken after the Discount Date. If NASA takes a discount after the deadline, NASA shall pay an interest penalty on any amount remaining unpaid.
- c. Payment Date. When a discount is taken, payment will be made as close as possible to, but no later than, the discount date.
- d. Start Date. The period for taking the discount is calculated from the date placed on the proper invoice by the vendor. If there is no invoice date on the invoice by the vendor, the discount period will begin on the date a proper invoice is actually received and date stamped or otherwise annotated by the designated agency office.

## D.2 Rebates

D.2.1 NASA shall take rebates if economically beneficial considering government-wide commercial purchase card payment dates based on an analysis of the total costs and total benefits to the Federal Government as a whole, unless specified otherwise in the contract.

D.2.2 Treasury FMS has a rebate sheet which automatically calculates the net savings and determines whether the NASA should pay early or on the Prompt Payment due date. Instructions and an example are provided in the spreadsheet at Treasury's Financial Management Services web site.

# Appendix E. Late Payment Interest Penalties and Additional Penalties

## E.1 Late Payment Interest Penalties

E.1.1 NASA will use the following procedures in calculating interest due on late payments:

- a. Interest will be calculated from the day after the payment due date through the payment date at the interest rate in effect on the day after the payment due date.
- b. Adjustments will be made for errors in calculating interest.
- c. For up to one year, interest penalties remaining unpaid at the end of any 30 day period will be added to the principal and subsequent interest penalties will accrue on that amount until paid.
- d. When an interest penalty is owed and not paid, interest will accrue on the unpaid amount until paid, except as described in E below.
- e. Interest penalties will not continue to accrue:
  - (1) After the filing of a claim for such penalties under the Contract Disputes Act of 1978 (41 U.S.C. § 601 et seq.).
  - (2) For more than one year.
- f. When NASA takes a discount after the discount date, interest will be paid on the amount of the discount taken. Interest will be calculated for the period beginning the day after the specified discount date through the date of payment of the discount erroneously taken.
- g. If the banking information supplied by the vendor is incorrect, interest under this regulation will not accrue until seven days after such correct information is received (provided that the vendor has been given notice of the incorrect banking information within seven days after the agency is notified that the information is incorrect).
- h. Interest calculations are to be based on a 360 day year.
- i. Interest may be calculated by using the Simple Daily Interest Calculator or Monthly Compounding Interest Calculator provided by Treasury FMS.

## E.2 Payment

E.2.1 NASA will meet the following requirements in paying interest penalties:

- a. Interest may be paid only after acceptance has occurred, or when title passes to the government in a fast payment contract when title passing to the government constitutes acceptance for purposes of when interest may be paid.
- b. Late payment interest penalties shall be paid without regard to whether the vendor has requested payment of such penalty, and shall be accompanied by a notice stating the amount of the interest penalty, the number of days late and the rate used.
- c. The invoice number or other agreed upon transaction reference number assigned by the vendor



should be included in the notice to assist the vendor in reconciling the payment. Inclusion of the contract number in the notice to the vendor is optional.

d. The temporary unavailability of funds does not relieve an activity of the obligation to pay interest penalties or the additional penalties that may be required.

e. NASA shall pay any late payment interest penalties (including any additional penalties described below) from the funds available for the administration of the program for which the penalty was incurred. The Prompt Payment Act does not authorize the appropriation of additional amounts to pay penalties.

f. Interest penalty payments are to be reported to the Internal Revenue Service on IRS Form 1099-INT when payments to any one person, partnership or trust total \$600 or more.

g. Final payments on cost-type contracts are subject to interest penalties; they are not contract financing payments.

h. Interim Payments under cost-reimbursement service contracts are treated as invoice payments. Interest penalties will be paid for interim payments under cost-reimbursement service contracts awarded on or after December 15, 2000, that are paid more than 30 days after a proper invoice has been received from the vendor.

i. Contractors approved by the Defense Contract Audit Agency (DCAA) to have adequate billing system internal controls are authorized to submit interim vouchers (contract financing requests) directly to NASA paying offices. DCAA provisionally approves these interim vouchers submitted by participating contractors for payment, but does so on a blanket basis because the contractors meet the DCAA criteria for authorization. Such authorization does not extend to the first and final voucher. The NASA Agency Office of Procurement periodically provides a master list to Centers of all participating NASA contractors. In cases in which the contract requires the contractor to send invoices to DCAA, the DCAA office or representative specified in the contract would be the "designated agency office..." for purposes of 5 CFR 1315.4 (b) (1) (i). As provided in FAR 32.906 (a), the due date for making contract financing payments is the 30th day after the designated billing office has received a proper request.

## E.3 Penalties Not Due

### E.3.1 Interest penalties are not required:

a. When payment is delayed because of a dispute between a Federal agency and a vendor over the amount of the payment or other issues concerning compliance with the terms of a contract. Claims concerning disputes, and any interest that may be payable with respect to the period, while the dispute is being settled, will be resolved in accordance with the provisions in the Contract Disputes Act of 1978, (41 U.S.C. § 601 et seq.), except for interest payments required under 31 U.S.C. 3902(h)(2).

b. When payments are made solely for financing purposes or in advance, except for interest payment required under 31 U.S.C. § 3902(h)(2).

c. For a period when amounts are withheld temporarily in accordance with the contract.

d. When an EFT payment is not credited to the vendor's account by the payment due date because of the failure of the Federal Reserve or the vendor's bank to do so.

e. When the interest penalty is less than \$1.00.

## E.4 Additional Penalties

E.4.1 Vendor Entitlements. A vendor shall be entitled to an additional penalty payment when the vendor is owed a late payment interest penalty by NASA of \$1.00 or more, if the vendor:

- a. Receives a payment issued after the due date and NASA failed to include the late payment interest.
- b. Is not paid the interest penalty payment within 10 days after the actual payment date.
- c. Makes a written request that NASA pay such an additional penalty. Such a request must be postmarked, received by facsimile, or by electronic mail, by the 40th day after payment was made. If there is no postmark or if it is illegible, the request will be valid if it is received and annotated with the date of receipt by NASA by the 40th day. The written request includes the following:
  - (1) Specific assertion that late payment interest is due for a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required.
  - (2) A copy of the invoice on which late payment interest was due but not paid and a statement that the principal has been received, and the date of receipt of the principal.

E.4.2 Maximum Penalty. The additional penalty shall be equal to one hundred (100) percent of the original late payment interest penalty but must not exceed \$5,000.

E.4.3 Minimum Penalty. Regardless of the amount of the late payment interest penalty, the additional penalty paid shall not be less than \$25. No additional penalty is owed, however, if the amount of the interest penalty is less than \$1.00.

E.4.4 Penalty Basis. The penalty is based on individual invoices. Where payments are consolidated for disbursing purposes, the penalty determinations shall be made separately for each invoice therein.

E.4.5 Utility Payments. The additional penalty does not apply to the payment of utility bills where late payment penalties for these bills are determined through the tariff rate-setting process.

# Appendix F. Payments under Construction Contracts

## F.1 Payments Standards

F.1.1 NASA shall follow these standards when making progress payments under construction contracts:

- a. NASA may approve a request for progress payment if the application meets the requirements specified in the Required Documentation for Construction Payments section below.
- b. The certification by the prime vendor, as defined in the Required Documentation for Construction Payments section below, is not to be construed as final acceptance of the subcontractor's performance.
- c. NASA shall return any such payment request which is defective to the vendor within seven days after receipt, with a statement identifying the defect(s).
- d. In the event the vendor's progress payment request contains an error and the vendor is paid more than entitled to under the terms of the contract, the vendor is obligated to pay interest to NASA on unearned amounts in its possession. The same holds true if NASA should mistakenly pay the vendor more than was authorized by the contract at the time of the payment. A vendor is obligated to pay interest to NASA on unearned amounts in its possession from:

(1) The eighth day after receipt of funds from NASA until the date the vendor notifies NASA that the performance deficiency has been corrected, or the date the vendor reduces the amount of any subsequent payment request by an amount equal to the unearned amount in its possession when the vendor discovers that all or a portion of a payment received from NASA constitutes a payment for the vendor's performance that fails to conform to the specifications, terms, and conditions of its contract with the agency, under 31 U.S.C. 3905(a).

(2) The eighth day after the receipt of funds from NASA until the date the performance deficiency of a subcontractor is corrected, or the date the vendor reduces the amount of any subsequent payment request by an amount equal to the unearned amount in its possession, when the vendor discovers that all or a portion of a payment received from the agency would constitute a payment for the subcontractor's performance that fails to conform to the subcontract agreement and may be withheld, under 31 U.S.C. 3905(e).

e. Interest payment on unearned amounts due to the Government under 31 U.S.C. 3905(a)(2) or 3905(e)(6), shall:

- (1) Be computed on the basis of the average bond equivalent rates of 91-day Treasury bills auctioned at the most recent auction of such bills prior to the date the vendor received the unearned amount.
- (2) Be deducted from the next available payment to the vendor.
- (3) Be deposited in the Miscellaneous Receipts Account and then revert to Treasury.

## F.2 Required Documentation for Construction Payments

F.2.1 Substantiation of the amount(s) requested shall include:

- a. An itemization of the amounts requested related to the various elements of work specified in the contract.
- b. A listing of the amount included for work performed by each subcontractor under the contract.
- c. A listing of the total amount for each subcontract under the contract.
- d. A listing of the amounts previously paid to each subcontractor under the contract.
- e. Additional supporting data and detail in a form required by the contracting officer.

F.2.2 Certification by the prime vendor is required, to the best of the vendor's knowledge and belief that:

- a. The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract.
- b. Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by the certification, in accordance with their subcontract agreements and the requirements of 31 U.S.C. Subtitle III, Chapter 39.
- c. The application does not include any amounts which the prime vendor intends to withhold or retain from a subcontractor or supplier, in accordance with the terms and conditions of their subcontract.

## **F.3 Interest Penalties**

F.3.1 NASA may pay interest on the following:

- a. A progress payment request (including a monthly percentage-of completion progress payment or milestone payments for completed phases, increments, or segments of any project) that is approved as payable by NASA and remains unpaid for:
  - (1) A period of more than 14 days after receipt of the payment request by the designated agency office; or
  - (2) A longer period specified in the solicitation and/or contract if required, to afford the Government a practicable opportunity to adequately inspect the work and to determine the adequacy of the vendor's performance under the contract.
- b. Any amounts NASA has retained pursuant to a prime contract clause providing for retaining a percentage of progress payments otherwise due to a vendor and that are approved for release to the vendor, if such amounts are not paid by the date specified in the contract, or, in the absence of such a specified date, by the 30th day after final acceptance.
- c. Final payments, based on completion and acceptance of all work (including any retained amounts), and payments for partial performances that have been accepted by NASA, if such payments are made after the later of:
  - (1) The 30th day after the date on which the designated agency office receives a proper invoice; or
  - (2) The 30th day after agency acceptance of the completed work or services. Acceptance shall be deemed to have occurred on the effective date of contract settlement (agreement between the Government and contractor to release all claims) on a final invoice where the payment amount is

subject to contract settlement actions.

d. For the purpose of computing interest penalties, acceptance shall be deemed to have occurred on the seventh day after work or services have been completed in accordance with the terms of the contract.

# Appendix G. NASA Requirements for Delegation

## G.1 Delegations for CFO Functions

G.1.1 Delegation. NASA shall ensure the Department of Treasury (Treasury) Financial Management Services (FMS) Form 2958, Delegation of Authority, is completed as described below to delegate authority.

- a. Filled out promptly, accurately and completely.
- b. All signatures are to be in black, non-erasable ink. All signatures should be within the signature block(s) provided. All signatures must be the official signature of the individual, 'nicknames' will not be used. Original signatures are required. All four signature blocks of the individual to whom authority is being delegated or who is being designated require original signatures.
- c. Copy 3 will be retained and copies 1 and 2 forwarded to FMS, who will verify the delegation, sign and return copy 2 to the Delegator. The receipt of copy 2 signifies FMS' acceptance. On receipt of copy 2, the delegator will verify the contents of copy 2 against the retained copy 3 to ensure that no alterations occurred.
- d. FMS Form 2958 instructions are located on the back of the form.

### G.1.2 Renewal and Termination.

G.1.2.1 Authorities for delegations must be renewed based on the expiration date as estimated by FMS, after two years. The effective date of a delegation is that date from which FMS calculates the period until it expires. It will be the latter of the effective date requested on the form, or the date accepted by FMS.

G.1.2.2 Action to Renew. FMS will notify the NASA official who has delegation authority of pending expiration, by mailing a 'Letter of Notification of Pre- Expiration' to the address listed in Section VI of FMS Form 2958 that documented the delegation. Prompt actions shall be taken to renew the authority by submitting a new FMS Form 2958 with the Re-Delegation block checked.

G.1.2.3 Letter of Renewal may not be used to renew delegations.

G.1.2.4 Delegations not renewed by their expiration date will become void as of that date and no further delegations will be accepted from the individual without submission and approval of a new delegation.

G.1.2.5 Notifications of expired delegations will be made by FMS via a 'Letter of Notification of Expiration', mailed to the delegating official, at the address provided in Section VI of the original delegation or designation form.

G.1.2.6 Once a delegation or designation expires, a new delegation must be submitted to reinstate that individual using FMS Form 2958.

G.1.2.7 When an individual, for whom a delegation is on file with FMS, departs or otherwise becomes ineligible to act (including reassignment, retirement, departure, death, etc.), the responsible delegating official shall forward the appropriate FMS Form 2958, revoking the delegation of the departing/ineligible designee to FMS. Revocations will be effective on the date received and



processed by FMS.

**G.1.3 Reorganization.** If organization names or titles change, authority must be re-delegated to all affected positions. Although delegations will not expire until the required renewal date (two years), NASA shall assure the re-delegation is processed as soon as the changes are official by initiating a re-delegation by executing the appropriate FMS Form 2958 for each official, checking the Re-delegation block, and noting in the "Name" block in Section II the word "Reorganization."

**G.1.4 Head of the Agency.** The NASA Administrator is the only person who can self-delegate. All authority to expend NASA funds, and to certify the disbursement of such funds through a Treasury Disbursing Officer, initially resides with the NASA Administrator.

**G.1.4.1 Self-delegation completing FMS Form 2958.**

**G.1.4.1.1** Check all authority blocks in Section I; this establishes the authorities of the Head of the Agency.

**G.1.4.1.2** Check the appropriate block for type of action (delegation or re-delegation).

**G.1.4.1.3** Complete Section II, with information on the individual designated as Head of Agency.

**G.1.4.1.4** NASA Administrator shall manually sign all signature sample blocks and the Delegator block.

**G.1.4.2** Head of Agency delegations are valid for a period of two (2) years from effective date, unless revoked earlier.

**G.1.4.3 Revocation.** When a Head of Agency leaves that capacity for whatever reason, his authority for disbursement must be revoked. The following should be observed:

- a. Forward FMS Form 2958 revoking the Head of Agency delegation of the departing/ineligible designee to FMS signed by the succeeding Head of Agency or the departing Head of Agency.
- b. Revocations will be effective on the latter of the effective date requested by the agency or the date received and processed by FMS.
- c. Neither revocation nor expiration has an effect on the delegations and/or designations that were made.

**G.1.5 Other Officials Delegated Authority.** This covers the delegations from the Administrator to the Agency Deputy Chief Financial Office (DCFO) and re-delegation from the Agency DCFO to the NASA Shared Services Center (NSSC) officials to designate accountable officers to perform specific disbursing functions through FMS.

**G.1.5.1** FMS Form 2958 shall be used to delegate authority so that accountable officials can be designated to perform specific disbursing functions through FMS.

**G.1.5.2** For each authority delegated, it must be specified whether the authority MAY or MAY NOT be re-delegated by checking the box or boxes on the form.

**G.1.5.3** Delegations of designation authority are valid for a period of two (2) years from the effective date, unless revoked earlier.

**G.1.5.4** To designate an accountable official, there must be a valid delegation and an up-to-date FMS Form 2958 on file with FMS for the designating official.

**G.1.5.5** When the delegating or designating official will no longer be in that capacity for whatever

reason, their authority must be revoked. The following should be observed:

- a. The responsible delegating official will forward the FMS Form 2958 revoking the authority.
- b. Revocations will be effective on the latter of the effective date requested or the date received and processed by FMS.
- c. Neither revocation nor expiration has an effect on other delegations and/or designations that were made.

#### G.1.6 FMS Form 2958 Processing.

G.1.6.1 The FMS Form 2958 will be completed and signed (in the four signature blocks provide for Section III - SIGNATURE SAMPLES OF DESIGNEE) by the designated NSSC official and submitted to the Agency DCFO.

G.1.6.2 As appropriate, the Agency DCFO will approve and sign the FMS Form 2958 (in the signature block in Section IV-DELEGATORS SIGNATURE).

G.1.6.3 The Agency DCFO will transmit the FMS Form 2958 to Treasury's Chief Disbursing Officer.

G.1.6.4 Copies of the FMS Form 2958 will be distributed to the Regional Disbursing Offices by the Chief Disbursing Officer.



# Appendix H. Designation Process

## H.1 General

H.1.1 The authority to perform disbursement functions through the Department of Treasury (Treasury) is designated by the appropriate NASA official filling out forms from the Treasury FMS Form 210 series (a series of FMS forms used to delegate authority). This section documents the procedures that are common to the completion and use of all FMS forms numbered as 210.

## H.2 Designation

H.2.1 Designation establishes the authority to act. The designated official's identity, functionality, and signature is captured by FMS to certify and approve vouchers or perform other disbursing functions for data transmission and security or check custody. A valid FMS Form 210 series (appended by letters for the particular official or duty) is to designate these accountable officials. This section also covers additional procedures to access the Secure Payment System (SPS) in Paragraph E below. The Agency Deputy Chief Financial Officer (DCFO) and Center Chief Financial Officers (CFOs) shall assure the forms are completed and procedures followed as below:

a. All forms shall be filled out promptly, accurately and completely using the appropriate FMS form for each individual performing each function. Refer to Appendix I for designation of individuals to the following functions:

(1) Certifying Officer

(2) Secure Payment System (SPS) Data Entry Operators.

b. Signatures. All signatures are to be in black non-erasable ink. All signatures should be within the signature block(s) provided. All signatures must be the official signature of the individual, 'nicknames' should not be used. Original signatures are required. All four signature blocks of the individual to whom authority is being delegated or who is being designated require original signatures.

c. In all cases, the NASA's Agency Location Codes (ALCs), required to be listed on the form, must correspond correctly to ALCs established by NASA with FMS.

d. Copy 3 will be retained and copies 1 and 2 forwarded to FMS who will verify the delegation/designation, sign and return copy 2 to the Designator. The receipt of copy 2 signifies FMS' acceptance. On receipt of copy 2, the Designator will verify the contents of copy 2 against the retained copy 3 to ensure that no alterations occurred.

e. SPS. Treasury has established SPS to transmit schedules via the internet. The following are requirements for NASA personnel to be granted access to SPS:

(1) Every SPS user at NASA must:

(a) Be a designated official.

(b) Have a Public Key Infrastructure (PKI) certificate and a smart card or token in order to access the system. PKI will also be used to sign certifications electronically. Smart Cards or tokens are obtained through the designation process. The servicing FMS Regional Finance Center (RFC) shall be contacted to provide instructions and policies for PKI enrollment. In order to obtain or renew

suspended PKI certificates, in addition to contacting the servicing FMS RFC, users must appear in person at a PKI Registration Authority (RA) or a Fiscal Trusted Registration Agent (FTRA) designed by Agency and Center CFOs for NASA.

(2) Every computer that will be used to access SPS will require a card reader or token. To obtain these contact the servicing FMS RFC.

## H.3 Renewal and Termination

H.3.1 Authorities must be renewed based on the expiration date as estimated by FMS. The effective date of designation is that date from which FMS calculates the period until it expires. It will be the latter of the effective date requested on the form, or the date accepted by FMS.

H.3.2 Action to Renew. FMS will notify the NASA official who was serving as Designator of the pending expiration of the designation, by mailing a 'Letter of Notification of Pre-Expiration' to the address listed in Section VI of the FMS Form 210 series that documented the designation. Designators will take prompt action to renew the authority by one of the following:

a. Renewals with Changes: re-submitting the appropriate FMS Form 210 series with Re-Designation block checked.

b. Renewals without Changes:

(1) Letter of Notification of Pre-Expiration Received. Designations of authority that are about to expire and for which there are no changes in the details of the designation, may be renewed by having an authorized Designating Official complete the "For Renewal Only" portion of the 'Letter of Notification of Pre-Expiration,' and returning it to FMS, at the address specified in the letter.

(2) Preparation of an "Agency Initiated Letter of Renewal" for NASA Officials for designations of authority that are about to expire, and for which there are no changes in the details of the designation may be done in lieu of preparing a new FMS Form 210. The following are requirements for the "Agency Initiated Letter of Renewal":

(a) Must be signed by the NASA Shared Services Center (NSSC) official with a valid FMS Form 2958 (Delegation of Authority) on file with FMS for that type of designation.

(b) Must be on NASA letterhead.

(c) Must provide the name, type of designation, authorized ALCs, agency/bureau/division identification for the individual, and requested renewal date.

(d) May be used to renew multiple designations, at the same time.

H.3.3 Designations not renewed by their expiration date will become void as of that date and no further disbursing actions (designations, certifications, etc.) performed by that individual will be accepted by Treasury.

H.3.4 NASA will be notified of expired designations via a 'Letter of Notification of Expiration,' mailed to the designating official, at the address provided in Section VI of the original designation form.

H.3.5 Once a designation expires, a new designation must be submitted to reinstate that individual.

H.3.6 When an individual, for whom a designation is on file with FMS, departs or otherwise becomes ineligible to act (including reassignment, retirement, departure, death, etc.), the responsible

designating official shall forward the appropriate FMS Form 210 series revoking the designation of the departing/ineligible designee to FMS. Revocations will be effective on the date received and processed by FMS.

## **H.4 Reorganization**

H.4.1 When organization names or titles change, authority must be re-designated to all affected positions.

H.4.2 NSSC shall ensure the re-designation is accomplished by filling out new FMS forms for each affected position.

H.4.3 Initiation of re-designations shall be done at a level above the areas affected by the organizational or title changes, by executing the appropriate FMS form from the 210 series for each Certifying Officer, checking the Re-designation block, and noting in the "Name" block in Section II the word "REORGANIZATION."

# Appendix I. Designation of NASA Officials

## I.1 Designation of Certifying Officers

I.1.1 A designation is an appointment of a person to perform a specific disbursing function through the Department of Treasury (Treasury) Financial Management Services (FMS). Certifying Officers are designated by NASA Shared Services Center (NSSC) officials to approve disbursements of NASA funds. The FMS Form 210, Designation of Certifying Officers, is used to designate Certifying Officers.

I.1.2 Use FMS Form 210 to Designate Agency Certifying Officer(s). Sections I, II, III, IV, VI and VII must be completed. Check-off blocks are provided to indicate the purpose of the FMS Form 210 and the certification functions that are authorized. One or more of the certification functions must be checked, as appropriate.

I.1.3 Designations for Certifying Officers are valid for a period of two (2) years from the effective date, unless revoked earlier.

I.1.4 Revocation. When a Certifying Officer will no longer be in that capacity for whatever reason, his authority for disbursement must be revoked. The following should be observed:

- a. The responsible designating official will forward a FMS Form 210 revoking the authority.
- b. Revocations will be effective on the latter of the effective date requested by the agency or the date received and processed by FMS.

I.1.5 Responsibility of Certifying Officers.

I.1.5.1 The Certifying Officer has the responsibility to ensure payments are proper and legal. Whether done electronically or on paper, their signature, date signed, their telephone number, and printed name is put on the voucher.

I.1.5.2 Liability of Certifying Officers is covered in NPR 9050.4, Chapter 3, Improper Payments and Loss of Funds.

I.1.6 NASA Officials shall assure Certifying Officials are informed of their responsibility and liability before taking certification action.

## I.2 Data Entry Operators (DEO)

I.2.1 The Data Entry Operators are individuals to whom authority to create and modify payment requests, and transmit certified payment requests to Treasury Regional Financial Centers, has been delegated. They do not have authority to certify payments. Only Certifying Officials have this authority. In addition to the instruction above, the following shall be done for completing the FMS Form 210 series:

- a. Use FMS Form 210 DEO to designate SPS Data Entry Operators. On the back of the form, Sections I, II, III, IV, VI and VII must be completed by NASA.
- b. Data Entry Operators designations are valid for a period of two (2) years from the effective date, unless revoked earlier.

c. An individual MAY NOT be designated as both an ECS Data Entry Operator and ECS Certifying Officer for the same Agency Location(s).

d. Revocation. When a Data Entry Operator will no longer be in that capacity for whatever reason, his authority for disbursement must be revoked. The following should be observed:

(1) The responsible designating official will forward a FMS Form 210 DEO revoking the authority.

(2) Revocations will be effective on the latter of the effective date requested by the agency or the date received and processed by FMS.

e. The following are the responsibilities of the Data Entry Operators:

(1) Payment data entry and editing voucher-schedules.

(2) Uploading voucher-schedules, created on other computer systems, into the computer.

(3) At the option of the NASA, Data Entry Operators may be authorized to initiate and monitor transmission of certified voucher-schedules from the computer to Treasury Regional Finance Centers.

(4) NSSC officials shall assure Data Entry Operators are informed of their responsibility before acting in that capacity.